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November 29, 2000

TO:

Minerals File

FROM:

Doug Jensen, Senior Reclamation Specialist

RE:

Site Inspection, North Lily Mining Company, Tintic Project, M/023/007, Juab County,

Utah

Date of Inspection:

November 27 and November 28, 2000

Time of Inspection:

8:00 a.m. & 2:00 p.m.

Conditions:

Partly cloudy and cool

Participants:

Bob Bayer, JBR; Bill Rieley, Blue Rock Excavating; Walt Shubert, Elwin Ewell,

North Lily Mining; and Doug Jensen, DOGM

Purpose of Inspection: Heap Recontouring Requirements

November 27

The purpose of this visit on November 27 was to go over DOGM's expectations with regard to the final regrading of the heap. Bob wanted to go over these items in the field to assure that he understood what DOGM had in mind. He also was concerned that we would not require North Lily to complete work that he felt would not be necessary.

We walked over the heaps to get a feel for how far off the heap the material would need to be pushed. It was decided that we would use the fence on the east, north and south sides as a limit for the toe of the heap material. Because the heap was at a higher angle on a portion of the west side, the limit of the push in this area will be just beyond the fence line.

Bill was concerned that he did not have a signed contract from North Lily. Bob told him to contact North Lily and have them sign the contract and fax it to him. In order to expedite the arrival of the machinery, Bob agreed to front the money to mobilize Blue Rock's cats (D8 and D6). Bill indicated that another cat would be arriving the following day from Nephi Sandstone. Walt said that a cat would also be arriving about noon from Geary Construction. While this is large amount of equipment for this area, the concentration of machinery will assure that the work will be completed in an expeditious manner.

Walt indicated that he would be on site every day that the equipment was working to coordinate the work to be done. I left the site and returned to Salt Lake.

November 28

I returned to the site on November 28 to review, with Walt, the work done so far. The regrading on the north slope had been completed. The two D8's were working on the west face of the heap and the D6 was working on the east slope. The work that had been completed so far looked good.

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The D6 only has a small straight blade which does not have much carrying capacity. Because of this, I felt it was not economical for us to continue to use this machine to reslope the heap. Walt agreed and stated that the D6 would be parked when the other cat arrived from Nephi. Because the D6 has three rippers, it will be used to rip the slopes prior to seeding, but will only have limited use until then.

Bill was on site to service his equipment and he stated that the other cat would not arrive until the following day. He stated that one of his operators had to take the next morning off so he would only have one operator on site until he returned.

The material that is being worked on the heaps is damp, but is not muddy. It is pushing down very well and we should not have any problem with compaction.

A ramp has been placed on the east slope of the heap, which will provide access for the trucks when Blue Rock begins to haul the manure. Two sections of the fence on the west side of the heap has been removed to facilitate the heap regrading.

The weather has moderated since my November 20th site visit and the ice castles around the ponds are beginning to melt. The solution level in the preg pond does not appear to have changed. The misters in the overflow pond are still not operating because of a problem with the pump. Elwin was attempting to find the problem. No other changes were noted around the process area.

jb
cc: Steve Flechner, NLMC
Walt Shubert, NLMC
Bob Bayer, JBR
Beth Wondimu, DWQ
Pam Grubaugh-Littig, DOGM
Wayne Hedberg, DOGM

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